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A G R I C U L T U R A L                      M A R K E T I N G

(Script No. 10.....For Use During  
The Period Oct. 27--Nov. 8, 1947)

PART I:        ----- LONG RANGE AGRICULTURAL POLICY -- OBJECTIVES AND  
POTENTIALS (PP 1-7)

PART II:        ----- LONG RANGE AGRICULTURAL POLICY -- PRICE POLICY AND  
PRODUCTION ADJUSTMENT. (PP 8-15)

PART I ----- OBJECTIVES AND POTENTIALS (7½ minutes)

ANN:        The marketing of America's food is of direct concern to  
everyone --- farmer, distributor, and consumer. Today,  
Station \_\_\_\_\_ presents another in a series of broadcasts  
designed to tell farm and city people more about the latest  
developments in the field of agricultural marketing... Down  
in Washington these days the Congressional agricultural  
committees are holding hearings on a long range policy for  
American agriculture. The farm program which the Congress  
will develop as a result of these hearings will have an ex-  
tremely important effect on future problems of agricultural  
marketing. So we've asked to our studios today, \_\_\_\_\_,  
of the \_\_\_\_\_ office of the Production and Marketing  
Administration to describe some of the proposals which have  
been made to these committees..... Do you think we can do  
justice to this subject in the time at our disposal, \_\_\_\_\_?







PMA: We certainly cannot, \_\_\_\_\_. People have been talking about long range plans for agriculture for several years now --- not only in the Department of Agriculture, but in every farm bureau, in every grange hall...in fact everywhere that farm people get together. And, in addition to the hearings which are being held in Washington, the committees are going out into the field to get the thinking of actual dirt farmers who seldom get to Washington.

ANN: Two of these hearings were held recently in Durham, New Hampshire, and Lancaster, Pennsylvania, weren't they?

PMA: Yes. And any decision which Congress makes on our long range farm policy is going to be based on the most considered opinions of everyone concerned.

ANN: Well obviously we won't have time to cover all the testimony which has been taken so far but I think our listeners will want to hear some of the recommendations which were made by the Department of Agriculture itself.

PMA: I think we'll only have time to cover some of the high spots. Remember, though, that the program which the Department officials mapped out are only recommendations based on several years study by a special Department committee on program and policy. All their recommendations were based on the policy recently stated by Secretary of Agriculture Anderson.







ANN: ...And that, as I remember, was a national policy of organized, sustained, and realistic abundance. It seems to me that the place to start is where these officials started ... with a discussion of objectives and potentials -- in other words, the question of what we want to get from our long range farm policy and our ability to get what we want.

FMA: Assistant Secretary of Agriculture Charles F. Brannan presented that part of the USDA recommendations. He said that: "First of all, we want an agriculture that will supply all of our people the kinds and quantities of agricultural products to meet our needs. And in return we want the people in agriculture to receive fair prices and income parity with the returns of those in other fields of work who make comparable contributions to the general welfare."

ANN: That certainly sounds fair enough. What about some of the other objectives?

PMA: Well, Mr. Brannan went on to say that: "We believe in striving toward greater efficiency in both production and distribution for the benefit of producers and consumers. We want an improved standard of nutrition and progressively better living standards, with farm families sharing in the general improvement. We want to assure wise use of our agricultural resources --- our productive land, water supplies, and our forests --- so that those resources will be permanently useful."







ANN: I believe most of us will agree with those objectives, \_\_\_\_\_, and several of them are already embodied in national legislation. Let's take a look at them again. What about that question of fair prices and income parity for farmers? Lots of people don't realize that, while net farm income has gone up, city people still had half again as many dollars to spend as farm people had last year --- even after we deduct the cost of food.

PMA: Right. There is still a wide gap between city and farm purchasing power. And farm people are generally at a disadvantage in regard to education and health facilities, housing, and various other living conditions.

ANN: I believe Mr. Brannan pointed out that although conservation of agricultural resources had helped make possible our present high rate of farm production, we have had to use our land too hard during the war period. He said we have a long way to go before we can claim a permanent agriculture for the country as a whole.

PMA: And on the subject of efficiency, he pointed out that both farm people and farm land are producing one third more than before the war. While greater efficiency is one of our goals we must guard against creation of unemployment and under-employment...and against concentration of our productive facilities in too few hands. We want to strengthen the family farm.







ANN: ...I think that we ought to take a look at what Mr. Brannan said about how much farm production we will need in this country. That's the real starting point for any long range program for agriculture.

PMA: That's right. Today we are producing about one third more farm crops than we did just before the war --- and even so, with few exceptions, we aren't producing enough to meet all needs. The question is how much will we need for adequate production a few years from now.

ANN: That calls for some crystal gazing, I guess. How did the Department's Program and Policy Committee figure that one out?

PMA: Well they took as an average the family which in 1941 had an income of about two thousand dollars a year...that's equivalent to about three thousand a year now. Then they figured out what this family would want to buy.

ANN: I'll bet they learned some interesting things.

PMA: They certainly did. They found out that to satisfy all the food wants of this average family we would need more meat and milk, but less potatoes, beans, and eggs than we have been eating. We'd have to produce almost as much corn as we grew last year, a little more wheat than we grew just before the war, more tobacco than before the war.....and a lot more cotton.

ANN: How many acres would we need to grow those crops?







PMA: They figured that we would need about 415 million acres, which is a little more than we had last year and before the war. That's just about as much farm land as we have available. Any further expansion will have to come largely from increased production on this acreage.

ANN: Using 415 million acres raises a lot of problems of soil management.

PMA: It does. We'll need an intensive conservation effort if we are going to use that much land safely.

ANN: What about our livestock needs under the Department's suggested program?

PMA: We will need increases over both last year and prewar...even allowing for greater production per animal unit. We would need fewer hens and pullets than last year, but more than prewar.

ANN: Well, what Mr. Brannan said seems to add up to the fact that potentially we can produce and consume the farm products we need for an adequate and rising standard of living. But if we supply our people with their reasonable wants and allow reasonable amounts for industrial uses and exports we'll need more farm and forest production than we are turning out now. For that we'll need more land than we're now using for crops --- even with higher yields than we're now getting.

PMA: That's right, but the pattern would put new emphasis on livestock production, and therefore, on grass and legumes. If we combine this shift with direct erosion control measures we ought to be able to improve our soil as we go and develop a truly permanent agriculture.







ANN: You've certainly given us an interesting summary of Asst. Secretary of Agriculture Brannan's recommendations on long range foreign policy. The suggestions of other officials on need for technological and economic research, ...for development of rural facilities, services, and industries, and on conservation and land use adjustments are also pretty important to a long range agricultural program. And, of course, the discussion by Carl C. Farrington of price policy and production adjustment would be of particular interest to our listeners.....I wish we had time to discuss all of these..

USE FOLLOWING CLOSE IF PART I IS USED AS A SEPARATE SCRIPT.

ANN: .....But the clock says that we have to stop now. Thanks very much for being with us today, \_\_\_\_\_, of the \_\_\_\_\_ office of the Production and Marketing Administration, to discuss a long range policy for American agriculture.....Friends you have been listening to another in a series of programs on agricultural marketing brought to you as a public service by Station \_\_\_\_\_ in cooperation with the United States Department of Agriculture.

(MORE)







A G R I C U L T U R A L      M A R K E T I N G

(Script No. 8....For Use During The  
Period Oct. 27--Nov. 8, 1947)

PART II: ----- PRICE POLICY AND PRODUCTION ADJUSTMENT  
(7½ minutes)

(USE FOLLOWING INTRODUCTION IF PART II IS USED AS A  
SEPARATE SCRIPT.)

ANN:        The marketing of America's food is of direct concern to everyone --- farmer, distributor, and consumer. Today Station \_\_\_\_\_ presents another in a series of broadcasts designed to tell farm and city people more about the latest developments in the field of agricultural marketing. Our guest today is \_\_\_\_\_, of the \_\_\_\_\_ office of the Production and Marketing Administration.....The future picture of our agricultural marketing will be strongly affected by the long range farm policy which is now being worked out by the Congressional agricultural committees. In Washington recently the committees heard testimony from top officials in the Department of Agriculture outlining their ideas of what our long time farm program should be. Among these presentations was a discussion of price policy and production adjustment by Carl C. Farrington. We won't have time to discuss all the proposals of the Department.....







ANN: But in the time at our disposal, \_\_\_\_\_, I wonder if you would pass on to our listeners some of the high points of Mr. Farrington's suggestions for our future farm price and farm production policy. Mr. Farrington, by the way, is Assistant Administrator of the Production and Marketing Administration, isn't he?

PMA: Yes he is, \_\_\_\_\_, and he was chairman of a special Department committee which spent a long time studying this complicated problem.

ANN: What that subject boils down to, I imagine, is really two questions. First of all, what should be the level of farm income, and, secondly, what should be the level of production and consumption of the things grown on farms.

PMA: And beyond this was the question of using price and production programs to carry out what Secretary of Agriculture Anderson recently stated as a national policy of organized, sustained, and realistic abundance.

ANN: Well it stands to reason that we can't have a policy of abundance without a relatively high level of farm income.

PMA: That's what this Department committee discovered. It's not only a question of justice to the farmer. It's also a matter of common sense economics.

ANN: What a lot of people forget is that in the long run consumers share the cost of inefficient farming, by having to pay unnecessarily high prices.







- PMA: Yes, and by having to put up with a pattern of agriculture which isn't balanced to fit their needs. Basically, of course, maintaining a high level of farm income depends on keeping a high level of industrial employment and demand. That's why it's relatively easy to achieve abundant production in times like these. The real test of whether abundant production can be matched by abundant consumption comes when employment and demand fall off.
- ANN: What did the members of the Department committee propose to meet that problem?
- PMA: Well, they recommended that Congress set as a national goal the maintenance of a floor under food consumption in the United States.
- ANN: A floor under consumption?
- PMA: That's right. A level below which we would not let food consumption fall. It would be based upon what the people of this country want and need to eat and what our agriculture is able to produce.
- ANN: Sounds like they would need some pretty solid planks to build that floor. What did they suggest?
- PMA: Well, some of these planks have already been laid. For example we already have a national school lunch law which expands farm markets for many foods and helps build good eating habits among our school kids.
- ANN: So the Department recommends that we retain and expand this program, I guess.





PMA: Right now the school lunch program reaches only about one quarter of all school children in the country. It needs to be expanded and kept operating at all times. Another plank in this floor under consumption would be our direct distribution program which we've been using for several years. It can be an excellent tool to relieve acute surpluses when aids to consumption acting through normal trade channels wouldn't act fast enough.

ANN: And I suppose other planks in this program would be the expansion of industrial uses for farm products, and work to improve nutrition and cut costs in the production and distribution of food.

PMA: We're already working on these things through the new Research and Marketing Act. We would also need to continue our public information campaigns --- where Government and industry get together to expand consumption of foods which are particularly abundant. They recommended several other things --- including a revival of our wartime industrial nutrition program.

ANN: That program was designed to help industrial plants improve on-the-job feeding facilities, as I recall. Does that finish our floor under consumption?

PMA: Not quite. As one of the major planks in this support Mr. Farrington recommended a food allotment program which would help low-income families get an adequate diet at low prices through food coupons which they could cash at their local store.





ANN: Something like the old food stamp plan.

PMA: That's right. There already is a bill in Congress to set up such a program. It would work through the existing marketing machinery. That way it would help merchants, wholesalers, transporters, and processors, as well as farmers and consumers.

ANN: And it would help the farmer get his income in the place where he likes to get it --- in the regular market place. I believe the second part of Mr. Farrington's proposals had to do with adjusting production and marketing to consumer demand.

PMA: That part of the Department's program includes using conservation aids, production goals, acreage allotments, marketing quotas, and marketing agreements.

ANN: Most of these things are already operating, aren't they?

PMA: Yes and some of them are adequate in their present form. Others would need some changes to fit in with the overall program which the Department of Agriculture recommended. For example, it was suggested that acreage allotments, marketing quotas, as well as marketing agreements and orders be extended to every farm crop.

ANN: What did the Department have to say about parity prices and price support programs? I know that there's been a lot of discussion about those things recently.





PMA: The committee recommended that we keep both of these things as added efforts to protect farm prices and income. They declared, though, that while the parity idea furnished a good thermometer it needed some modernizing. Using the old formula for some crops isn't always reliable or realistic.

ANN: How did the committee suggest we change it?

PMA: Well, as you know, this business of calculating parity prices is pretty complicated. I don't think we'll have the time to go into detail/<sup>about</sup>the proposals to change the formula. But basically what the Department committee suggested was that we fix the formula so that it always reflects recent production patterns and price relationships between various commodities.

ANN: What did the committee recommend about price support programs?

PMA: Well they suggested first of all that they be kept very flexible. They also recommended that support loans and purchases be limited to those farm products which can be stored. Otherwise, they pointed out, we would inevitably have dumping and waste.

ANN: Under the comprehensive program which Mr. Farrington outlined it seems to me that price support programs would probably not have to be employed very often.





PMA: That was exactly the committee's point. They suggested that the level of price support which should be given to any commodity should be quite a bit below the general level of prices which we were trying to achieve. That would help us to bring about production shifts from commodity to commodity as they were needed.

ANN: Does that about round out the high spots of this part of the Department's recommendations on our long time farm policy?

Just about.

PMA: /What Mr. Farrington suggested in essence was that we continue to use agriculture's resources to produce what the people want and need, that we be ready to aid consumption if demand falls off, and that we have some program aids ready to meet future needs as they arise.

ANN: By doing that, they feel we'll be giving farmers the kind of program that will help them realize good incomes by keeping up the market for their abundant production.

PMA: Yes, and at the same time we'll be giving the four-fifths of our population who don't live on farms the kind of farm program which makes sense to them. There's one thing about this whole program which should be kept in mind. All these measures which the Department suggests to maintain food consumption and farm income won't necessarily operate at the same time. Today, for example, we have authority to support the price of practically every farm commodity. Yet this year the only crops that have required such support are potatoes, eggs, turkeys, and a few other items. But agriculture needs a wide range of flexible program aids so that emergencies and rapidly changing conditions can be dealt with as they arise.







ANN: Thank you \_\_\_\_\_, of the \_\_\_\_\_ Production and Marketing Administration for this discussion of some of the proposals by the Department of Agriculture on our long range agricultural policy.....This has been a public service presentation of Station \_\_\_\_\_, brought to you with the cooperation of the United States Department of Agriculture.

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